



FOR IMMEDIATE RELEASE

November 25, 2008

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Department Statement Regarding Errors in Recent Georgia State Retiree Association Release

ATLANTA – The State Health Benefit Plan (SHBP) announced two policy changes to health benefit options for retirees aged 65+ at the October 30, 2008 Board of Community Health meeting. The new strategy will enable the SHBP to continue offer comparable health care benefits to our retiree population, while allowing SHBP to leverage additional health care services offered through Medicare.

According to the Center for State and Local Government Excellence's Retiree Health Plans National Assessment, Georgia is one of only two states that does not currently require retirees to enroll in Medicare Part B. By moving to this benefit change, SHBP will be in line with other state retiree health plans.

The first change, effective July 1, 2009, requires retirees that choose not to enroll in Medicare Part B to pay higher premiums. Retirees can avoid the higher premiums by enrolling in Medicare Part B between January 1 and March 31, 2009. The SHBP premium will decline to offset the Medicare premium cost.

SHBP will absorb the cost of late enrollment penalties associated with those retirees that have not previously enrolled in Medicare Part B. SHBP will be providing materials to retiree members to assist them in this process.

Retirees ineligible to participate in Medicare Part A will not be required to purchase Part A and will continue to receive SHBP coverage similar to those with Part A.

The second change, effective January 1, 2010 requires retirees to enroll in one of the Medicare Advantage Plan options in order to continue to receive the 75 percent state subsidy. Enrollees in the Medicare Advantage will benefit from the following:

- Lower monthly premiums
- Lower cap on out-of-pocket expenses
- Enriched health care services over standard Medicare services

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